

EMS Management Review Agenda and Meeting Minutes

Federal Foam Technologies, Inc. ISO 14001 Environmental Management System Management Review Meeting

Date: January 25, 2007

Time: 1:00 p.m. to 2:00 p.m.

Location: Federal Foam Technologies, Inc. 600 Wisconsin Drive, New Richmond, WI 54017

Next Management Review Meeting: March 20, 2008

Type of meeting:

Facilitator:

Note taker:

Attendees:

ISO 14001: Environmental Management System Status Review with Top Management

EMS Management Representative

Document Control

A	Mr. Wyman Smith
P	Ms. Cindi Jones
P	Mr. Dan Sikorski

P	Mr. Steve Vincelli
P	Ms. Judy Kolstad
P	Mr. Joe Galbraith

P	Mr. Mac McLeod
A	Ms. Kirstin Rasmussen
A	Mr. Patrick Falkner

P = Present, A = Absent

Please read:

Additional Attendees:

Management Review Meeting Agenda

Andrea DeRosier – Review Cost of Environment; **Nicole Butz** – HR, **Doug Older**, Techlogic, Inc.

Agenda topics

Presented By

Introduction

Mac Mcleod

Continuous Improvement Team Summary

Mac Mcleod

Cost of Environment Metrics Report

Mac Mcleod

Review of Corrective Action

Mac Mcleod

Review of Preventive Action

Mac Mcleod

Internal Audit Status Report

Judy Kolstad

Status of Objective and Targets

Mac Mcleod

Review of Aspect Significance Due to Changing Circumstances, Including Legal & Regulatory

Mac Mcleod

Review of Suggestions and Opportunities for Improvement

Mac Mcleod

Review of Compliance

Patrick Falkner

Review of External Communications

Mac Mcleod

ISO 14001 Status Report

Mac Mcleod

Review of Environmental Policy

Mac Mcleod

Review of Resources

Committee

Open Question and Answer Session

Mac Mcleod

Set Date of Next Management Review

Mac Mcleod

Conclusion

Mac Mcleod

NOTE: Attachments listed in the minutes can be found with the original meeting minutes document.

[illegible]

Agenda Topics

Introduction

Discussion: Mac Mcleod welcomed everyone to the 2007 ISO 14001 Management Review meeting.

Comments:

Action items:

Person responsible:

Deadline:

Continuous Improvement Team Summary

Discussion: None to Report at this time.

Comments:

Action items:

Person responsible:

Deadline:

Cost of Environment Metrics Report

Discussion: Kirstin Rasmussen presented the Cost of Environment Status report for December (*Attachment A*).

See Mac's copy of the agenda topics and the data he presented at today's meeting. (*Attachment B*)

The total Cost of Environment for **December 2006** was **\$13,53.69**.

Prevention Cost was **\$ 4,410.79 (33 %)**, **Appraisal Cost - \$ 140.46 (1 %)**, **Internal Cost of nonconformance - \$8,835.44 (66 %)** and there was **0 External Cost of nonconformance**. Mac added, the total internal cost of nonconformance is **65%** which is **10%** over our objective of **55%**. The two largest contributors to this cost is Internal cost and Landfill costs. i.e. December internal scrap was **\$4,256.51** and landfill was **\$8,835.44**. Internal Cost of Nonconformance is **.66%** YTD which is **.21%** over our objective of **.45%** minimum.

The total Cost of Environment as a Percent of Sales dollars was **.76 %**. The percentages are as follows: Appraisal - **.01 %**, Prevention - **.25 %**, Internal - **.50 %** and External was **0 %**.

These items were tracked and reported during **December**.

Electricity by Kilowatt hours – **124,792**, YTD average is **131,532**.

Natural Gas by Therms – **13,599**, YTD average is **11,782**.

Water by gallons – **34,000**, YTD average is **25,833** gallons.

Disposal by tons **39.63**, YTD average is **61.94**.

Disposal Cost in dollars was **\$3,291.65**, YTD average cost of disposal is **\$5,023.97**.

Recycled BALE4 (ABS) by Tonnage – **0**, YTD average **.143** Tons.

Recycled BALE4 (ABS) by – **\$0.00**, YTD average **\$114.57**.

Recycled Foam BALE2 by Tonnage – **14.63**, YTD average is **25.06** tons.

Recycled Foam BALE2 by Dollars – **\$ 3,218.38**, YTD average, **\$ 5,095.09**.

Recycled Cardboard BALE6 by Tonnage – **0**, YTD average is **1.66** tons.

Recycled Cardboard BALE6 by Dollars – **\$ 0.00**, YTD average, **\$ 89.82**.

Recycled (90425) BALE7 by Tonnage - **0**, YTD average is **.24** tons.

Recycled (90425) BALE7 by Dollars – **\$ 0.00**, YTD average, **\$ 169.17**.

Recycled Pallets expresses as Dollars – **\$ 160.56**, YTD average, **\$ 26.44**.

0 Work Comp Claims, YTD average **1.25**. Rolling Average **1.25**.

Comments: Mac stated that we need to be certain that we are accurately reporting all of our Environmental costs. He feels that we should not adjust our Cost of Environment metrics until the completion of the first quarter (3/31/07) in order to gain a better view of the impacts of scrap reduction efforts.

Action items:

Person responsible:

Deadline:

Review of Corrective Action

Discussion: Mac noted that there was 1 E-CAR generated in 2006. The corrective action was to an ANR to add EPA to our Regulatory Matrix (4404E) via DCO # 1312. We must complete ALL responses to the SGS audit findings on the Audit Resolution Report generated from last years Surveillance Audit. They need to be given to Judy Kolstad no later than February 9, 2007 so she can update the document for the upcoming Surveillance Audit.

Comments:

Action items:

Person responsible:

Deadline:

Review of Preventive Action

Discussion: None generated in 2006.

Comments:

Action items:

Person responsible:

Deadline:

Internal Audit Status Report

Discussion: Judy Kolstad presented the 2006 EMS Internal Audit Summary Report. (*Attachment C*)

Doug Older of Techlogic, Inc. performed 6 Environmental Management System audits in 2006. There were a total of 154 findings; 139 Positive findings; 14 Opportunities for Improvement (OFIs) and 1 ANR (Audit Nonconformance);

Comments: The following audits were scheduled for January 2007

QMS-2007-001 - Shipping, Receiving, and Inventory Control, 4.1 - General Requirements (Quality Management System), 4.2.1 - General (Documentation Requirements), 4.2.2 - Quality Manual (Documentation Requirements), 4.2.3 - Control of Documents (Documentation Requirements), 4.2.4 - Control of Records (Documentation Requirements), 5.3 - Quality Policy, 5.4.1 - Quality Objectives, 5.5.1 - Responsibility and Authority, 5.5.3 - Internal Communication, 6.2.2 - Competence, Awareness and Training, 7.2.3 - Customer Communication, 7.4.3 - Verification of Purchased Product, 7.5.3 - Identification and Traceability, 7.5.4 - Customer Property, 7.5.5 - Preservation of Product, 8.2.3 - Monitoring and Measurement of Processes, 8.2.4 - Monitoring and Measurement of Product, 8.3 - Control of Nonconforming Product, 8.4 - Analysis of Data, 8.5.1 - General (Improvement), 8.5.2 - Corrective Action, 8.5.3 - Preventive Action

EMS-2007-001 - Management Review

QMS-2007-003 - Internal Auditing - ****Combine with EMS Audits**

Action items:

Person responsible:

Deadline:

Status of Objective and Targets

Discussion: FFT has received several benefits from our present Environmental Objectives and the committee agreed that they should all be held open for another year. (Final updates for 2006 are within each objective on the next page).

Comments: The progress and complete documentation can be reviewed on the network. Team leaders update the individual documents as they make progress. They are located in the following: (H:) EMS-QMS Measurable Objectives, then in either of the Measurable Objective folders, EMS or QMS objectives.

Mac suggested that even though we may continue to work on the current objectives and targets, we consider initiating another new objective to work on.

Action items:

Person responsible:

Deadline:

Status of Objective and Targets

Discussion: The following Objective / Target reviews were given at the meeting today.

Objective #	Objectives / Targets descriptions & Progress	
1	<p>Ongoing 2006 Objective / Target: – Extend through 2007 – SEE original records in the network file.</p> <ol style="list-style-type: none"> Decibel levels in the Auto Cut area were reviewed with Cory Bateman, Jesse Fick and Mark Johnson. <ul style="list-style-type: none"> Additional research was done by team to determine the exact source of the noise impact on the auto cut machine. Noise reduction issues to pursuit: <ul style="list-style-type: none"> Change hydraulic cylinders to cushioned style Change hydraulic valves to adjust return flow of fluid to reduce impact Apply acoustic foam on Auto Cut machine to reduce Db levels <p>Production Noise/Decibel Levels – Continue program of Noise /Decibel reduction in the Sonusflex area – BL01. Team leader –Patrick Falkner. .</p>	Ongoing 2007
Target: # 1	<p>Ongoing 2006 Objective / Target: – Extend through 2007 The final study on this project must be delayed until the new line is completed and operating. Patrick Falkner took new baseline measurements (11/4/06) for the existing line were taken in the prescribed areas listed: Lead Desk – 83.5, West Coater – 84.4, East Center – 86.9, West Center – 87.8, East Finished Conveyor – 83.9, West Finished Conveyor – 87.1, East Auto Cutter – 102.9, West Auto Cutter – 100.4 This will provide a new starting point to determine our proposed level of decibel reduction. They will need to be under 90 Db in the chopper area to achieve an 85 DB average at the Sonusflex area</p> <p>NOTE: The target will be set when the new line is fully functional.</p> <p>Phase 3 - Reduce the decibel levels in the BL01 - Sonusflex area by a total of ____ decibels by 12/31/07.</p>	11/4/06 Ongoing 2007
3	<p>Cardboard Consumption – Extend through 2007 to further reduce corrugated cardboard consumption. – SEE original records in the network file. Team members –Steve Vincelli & Cindi Jones</p>	Ongoing 2007
Target: # 3	<p>Ongoing 2006 Objective / Target: ONGOING – There was much progress made throughout 2006 in reducing cardboard use. Some results were achieved by working with customers to encourage them to begin a pallet program; to use reusable returnable packaging. FFT also purchased ‘internal use’ plastic bins, and cardboard sheets to use on pallets so we could reserve cardboard boxes for packaging. (Attachment D)</p> <p>In 2007, continue to reduce internal consumption of cardboard and work with our Suppliers, Engineers & customers to implement programs for returnable packaging. – Identify 2 areas for improvement in 2007 and track performance. Minimize waste and improve labor and cost effects by 12/31/07</p>	
4	<p>Energy Consumption – Continue on-going programs for 2007 – Team leader – Joe Galbraith – SEE original records in the network file.</p> <p>Conduct additional studies plan to reduce energy consumption - Reduce Energy (gas) usage for the barrier line by assembling an energy efficiency team to evaluate the operation of the line and develop methods to conserve energy.</p>	Ongoing 2007
Target # 4	<p>Ongoing 2007 targets: Based on the present use of the Thermal Oxidizer, the cost of gas per month is \$8-9,000. The annual cost at this time is \$63,106. Once the new Sonusflex line is completed more tests can be run to determine the cost of operation. Joe estimates the cost savings to be \$30,000 annually with the new line. If the Sonusflex operation does not produce the smoke that the present one does, it may be possible to reduce the permit requirements as well.</p> <p>The committee decided to continue the reduction of energy consumption in 2007. The new Sonusflex line may not need the thermal oxidizer. Evaluate the energy usage and reevaluate energy use by December 31, 2006.</p> <ol style="list-style-type: none"> Calculate the present energy usage of the thermal oxidizer. Conduct additional tests while in full operation. 	

5	Reset the Cost of Environment Objectives for 2007 – Team Leader Mac Mcleod with Kirstin Rasmussen	<i>Ongoing 2007</i>
Target # 5	<p>Ongoing 2007 targets: Mac plans to review the cost of Environment metrics again this year. He will wait until March to do so. There are some scrap reduction efforts that need to be evaluated before further change will be made.</p> <p>Evaluate and revise Cost of Environment Report (Form # 4411E) and reset the Cost of Environment objectives for 2007 by _____, 2007. – Team Leader – Mac Mcleod, with Kirstin Rasmussen</p>	
6	Reduce annual receipt of Undeliverable & Junk Mail – Judy Kolstad	<i>Ongoing 2007</i>
Target # 6	<p>Reduce undeliverable Junk Mail received at FFT - ongoing in 2007. 2006 Junk Mail processing was delayed due to the ISO9001:2000 Certification audit and did not begin until September 2006. From early September to December 31, 2006 63 requests were processed to discontinue undeliverable mail that consisted of: 26 by E-mail, 14 by FAX, 11 Mailed, 11 On-line, 2 more people were added to the Ecological Mail Coalition website. I received 9 responses from the 40 faxed and E-mailed requests. That is a 23% response for faxed and e-mailed requests. This is an improvement from last year's responses. (<i>Attachment E</i>)</p> <p>1. Continue to respond to Junk Mail received for past employees through the processes that were developed in 2005.</p> <p>2. Phase 2 – Reduce Junk Mail in 1 other department in 2007.</p> <p>NOTE: This objective will continue in 2007.</p>	
<p align="center">Review of Aspect Significance Due to Changing Circumstances, Including Legal & Regulatory</p>		
<p>Discussion: There were 7 additions to our aspects in 2006; booth filters, laminating line cores, sharps, PDI spray, Single Carbon and foil/glass Materials. We reviewed and evaluated them and updated form # 4407E, Environmental Aspects Log and form # 4410E, Environmental Aspects Evaluation form. New materials are also reviewed through the PPR process. This provides an opportunity for FFT to review new materials for Health & Safety and Legal & Regulatory to determine possible environmental impacts.</p> <p>We have also begun to develop an Environmental Impact format that can be used for evaluating and defining equipment and significant process changes. This will give us a formal documented process to review any impacts associated with these addition or changes.</p>		
Comments:		
Action items:	Person responsible:	Deadline:
<p align="center">Review of Suggestions and Opportunities for Improvement</p>		
<p>Discussion: Mac reported that a steering committee comprised of Patrick Falkner, Andrea DeRosier and Steve Boetcher were chartered with revising the Suggestion Box System to make it more effective. They will also be working with Chad Olson to develop a more interactive Portal system. The possibility to initiate this system will be evaluated again by the end of the first quarter of 2007.</p> <p>Patrick Falkner initiated discussion regarding Legal and Regulatory documentation and that some document; manifests, permit applications, etc. are single copy documents. Although they are maintained for 5 years or more, we need to develop a system to duplicate them for a disaster recovery process. Some suggestions were to copy and keep them with the recovery copies for the ISO system documents at our corporate office or to scan them into the system where they would be a part of the computer files back-up system. Patrick asked Judy for her assistance to help him set up a system to accomplish this. An action item was generated.</p>		
Comments:		
Action items:	Person responsible:	Deadline:
# 165 Communicate with QA to add an E-PAP to create an electronic document control system for EMS Legal & Regulatory documents. Enlist help from Judy Kolstad to develop a system.	Patrick Falkner & Judy Kolstad	2/28/07

Review of Compliance

Discussion: Patrick Falkner added that we review incoming R/D material samples through the PPR process as well. We receive MSDS documentation. As long as we keep material samples in-house, the MSDS is retained. The PPR process is a valuable tool to address Safety and Health and environmental issues.

Comments:

Action items:

Person responsible:

Deadline:

Review of External Communications

Discussion: Mac noted there were 45 External Communications recorded in 2006, the bulk of which were WDNR and WMC contacts. There was increased activity which came from FFT's Business Friends Of the Environment (BFOE) nomination and Green Tier application. (*Attachment F*)

Comments:

Action items:

Person responsible:

Deadline:

ISO 14001 Status Report

Discussion: The ISO 14001: 2004 surveillance audit was conducted February 15th & 16th, 2006. Mr. Thomas Kohl was our auditor. The Audit resulted in **0** nonconformances, **7** positive observations and 5 opportunities for improvement.

The 2007 surveillance audit is scheduled for March 22nd & 23rd, 2007. They determined the audit to be 1.5 man day audit and it will be conducted by Bill Rockwell for SGS.

FFT was nominated for the B.F.O.E. award for Innovation in Pollution Prevention and the WDNR John Brogan Award for Environmental Achievement. We did not receive the John Brogan award but received a letter from Scott Hassett, WDNR Secretary commending our Environmental efforts.

FFT was awarded the state wide Business Friend of the Environment for a medium sized company in the area of excellence in Pollution Prevention. FFT won this award in 2004 and 2006. We are the only company to receive an award twice within the past 10 years. This is no small accomplishment. The award was presented to Mac Mcleod at the awards conference in Waukesha in May 2006.

FFT was also granted WDNR Green Tier certification at an awards ceremony held at our facility. Pictures and a summary of the ceremony were released to the news media throughout Wisconsin. We are also included on the WDNR website along with the press release and a profile of our company.

FFT was featured in a news article published in the "The Business News", 8/22/06 edition. It detailed who we are and our environmental successes.

Mac was invited to be one of 15 who participated in the Green Tier/ECCP focus group held in Madison on 1/22/07.

Comments:

Action items:

Person responsible:

Deadline:

Review of Environmental Policy

Discussion: Mac stated that FFT's Environmental Policy was reviewed and revised in 2005. He asked if anyone believed that the policy should be revised or changed. The committee agreed that the policy was still valid today and did not need to be changed at this time.

FFT ENVIRONMENTAL MANAGEMENT SYSTEM POLICY

We the employees of Federal Foam Technologies New Richmond facilities are committed to working together to continually improve our environment and prevent pollution while complying with applicable legal and other requirements that relate to our Environmental Aspects. Our EMS will provide the framework for establishing and reviewing Environmental Objectives and Targets as well as providing for the documentation, implementation and maintenance of this policy. It is our belief that we at FFT can make a difference with our EMS programs by training our employees, achieving our objectives and targets, preventing pollution, recycling, energy management, waste minimization and disposing of hazardous waste in compliance with legal and other requirements. We are also committed to communicating this policy and belief to all persons working for or on behalf of our organization i.e. suppliers, customers, contractors as well as making it available to the public.

Comments:

Action items:

Person responsible:

Deadline:

Review of Resources

Discussion: No resources were reported at this time.

Comments:

Action items:

Person responsible:

Deadline:

Open Question and Answer Session

Discussion: Patrick Falkner suggested we may be able to change our system of monitoring monthly VOCs. Instead of monthly measuring with calibrated sticks, we could verify with the DNR that it would be acceptable to determine our usage based on the quantity we purchased vs the quantity we have remaining in stock. At this time we qualify for usage in the "small company" category. We could possibly qualify as a "very small company" in the future.

Cindi Jones showed the committee her documentation on the pallet earnings. As a part of recycling wood pallets, this is money FFT receives for recyclable pallets or pallets that can be easily rebuilt and reused.

Comments:

Action items:

Person responsible:

Deadline:

Conclusion

Discussion: Mac stated that we have a well functioning EMS which is recognized as such throughout the state and within national environmental groups such as MSWG (Multi-State Working Group) and EPA.

Comments:

Action items:

Person responsible:

Deadline:

Set Date of Next Management Review

Next Environmental Management Review Meeting **March 20, 2008 @ 1:00 p.m. in the large conference room.**